

STATE OF IOWA  
PROPERTY ASSESSMENT APPEAL BOARD

**Bruce Beguhn,**  
Petitioner-Appellant,

v.

**Polk County Board of Review,**  
Respondent-Appellee.

**ORDER**

**Docket No. 11-77-0968**  
**Parcel No. 240/00750-749-009**

On May 21, 2012, the above captioned appeal came on for hearing before the Property Assessment Appeal Board. The appeal was conducted under Iowa Code section 441.37A(2) and Iowa Administrative Code rules 701-71.21(1) et al. The Appellant, Bruce Beguhn, was self-represented. The Polk County Board of Review designated Assistant County Attorney Ralph Marasco, Jr., as its counsel. The Appeal Board having reviewed the record, heard the testimony, and being fully advised, finds:

***Findings of Fact***

Bruce Beguhn is the owner of a residential, single-family property located at 11584 NW 107th Court, Iowa. The property is a two-story home, built in 1999, and has 3096 square feet of total living area. The property has a full, unfinished basement. Additionally, the dwelling has a 1004 square-foot attached garage, two open porches, and an 864 square-foot metal pole building, also built in 1999. The site is 2.89 acres.

Beguhn protested to the Polk County Board of Review regarding the 2011 assessment of \$440,700, which was allocated as \$87,200 in land value and \$353,500 in improvement value. His protest form indicated his claim was that the property was assessed for more than the value authorized by law under section 441.37(1)(b), it noted an attachment. The attachment included assessment sales-

ratio information, which indicate the claim was inequity in the assessment under section 441.37(1)(a).

The Board of Review denied the protest.

Beguhn then appealed to this Board reasserting his claim and contending the correct value of his property was \$410,037, allocated as \$87,200 in land value, and \$313,887 in improvement value.

Beguhn listed eighteen properties as equity comparables as follows:

Address	2011 Assessment	Sold Price	Sale Price % of Assessed Value <sup>1</sup>	Date of Sale
10409 NW Beaver Dr., Granger	\$426,700	\$400,000	106.68%	5/1/2010
11545 NW Timberbrooke, Grimes	\$549,000	\$532,500	103.10%	6/13/2010
8340 NW Cevalia Dr., Grimes	\$842,300	\$675,000	124.79%	8/20/2010
12398 NW 85th Ave., Grimes	\$338,100	\$318,000	106.32%	9/23/2010
11268 NW 114th Ave., Granger	\$501,200	\$265,000	189.13%	2/23/2011
11936 NW 142nd St., Granger	\$363,100	\$379,000	95.80%	12/27/2010
12900 NW 85th Ave., Grimes	\$585,000	\$500,000	117.00%	2/24/2011
10652 NW 107th St., Granger	\$312,500	\$250,000	125.00%	3/23/2011
11601 NW Timberridge, Grimes	\$482,300	\$475,000	101.54%	3/31/2011
12041 NW Towner Dr., Grimes	\$266,500	\$305,000	87.38%	3/31/2011
12331 NW 111th Pl., Granger	\$263,800	\$277,050	95.22%	11/19/2010
11523 NW 114th Ave., Granger	\$282,200	\$297,000	95.02%	11/5/2010
11530 NW Timberbrooke Ln., Grimes	\$462,400	\$526,600	87.81%	10/20/2010
11548 NW 114th Ave., Granger	\$280,700	\$317,000	88.55%	7/29/2010
11561 NW Trost Way, Granger	\$419,900	\$374,750	112.05%	6/9/2010
10367 NW Beaver Dr., Johnston	\$429,900	\$455,000	94.48%	6/3/2010
12319 NW 84th Pl., Grimes	\$476,000	\$510,000	93.33%	3/31/2010
14240 NW 122nd Ave., Granger	\$443,400	\$472,000	93.94%	3/26/2010
	\$7,725,000	\$7,328,900	105.40%	

Beguhn compared the 2011 assessed value of each property to the 2010 or 2011 sales prices to determine a ratio of the sales price to assessed value. This ratio ranged from 87.38% to 189.32%. The Board of Review was somewhat critical of the properties submitted by Beguhn, noting the sales of properties located at 12398 NW 85th Avenue, Grimes and 11268 NW 114th Avenue, Granger were the result of foreclosure. Foreclosures are not considered normal transactions and would not be included

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<sup>1</sup> Beguhn's actual analysis calculated this column with the following formula: Sales Price / Assessed Value. However, the proper way to consider a ratio analysis is using the formula Assessed Value / Sales Price. We corrected the calculation for the ratio analysis. A number greater than 100 indicates the sales price was less than the assessed value. A number less than 100 indicates the property assessment was less than the sales price.

in a ratio analysis. Therefore, the following analysis will exclude these two properties. Beguhn develops an average by taking the total assessed value compared to the total sold price of all the properties, to determine an average of 105.40%, which includes the two foreclosures. When the foreclosures are removed the average is 102.07%. We note the median, not including the foreclosures, is 95.51%. This analysis indicates the 2011 assessments were roughly 1.5% over-valued on average or roughly 4.5% under-valued based on a median analysis.

Statistically, this basic analysis indicates the 2010/2011 sales are at, very near, or slightly below the 2011 assessed values,

Ultimately, we find fault with the analysis as it presumes the properties are comparable to the subject. There is limited information in the record to determine the properties listed are indeed reasonably comparable. Additionally, Beguhn arrives at his total suggested amount of reduction by taking his average from the 2009 assessed value of his property, while the data analyzed demonstrated a sale to assessed ratio compared to the 2011 assessments only.

There is no analysis to indicate the 2011 assessments should be less than the 2009 assessments, which is Beguhn's assertion. Essentially, we find fault with Beguhn's methodology and calculations and give it no consideration.

Beguhn also seeks an additional reduction from his initial calculations, based on reductions two of his neighbors received.

Beguhn finds fault with the Board of Review and appeal process. His primary concern is that his two neighbors, Larry Swanda and Tom Ballard, received reductions at the Board of Review while offering the exact same spreadsheet and information as he submitted, yet he did not receive any relief. Beguhn noted that both Swanda and Ballard had hearings with the Board of Review early in the protest schedule, whereas his hearing was at the end of the schedule. While we share Beghuns concerns, we



have no information regarding the other two appeals or the data considered by the Board of Review in their protests. Lastly, we note inequity is not established by modifications of other assessments.

The Board of Review did not provide any additional evidence.

Based on the foregoing, we find insufficient evidence to demonstrate the subject property is inequitably assessed.

### ***Conclusions of Law***

The Appeal Board applied the following law.

The Appeal Board has jurisdiction of this matter under Iowa Code sections 421.1A and 441.37A (2011). This Board is an agency and the provisions of the Administrative Procedure Act apply to it. Iowa Code § 17A.2(1). This appeal is a contested case. § 441.37A(1)(b). The Appeal Board determines anew all questions arising before the Board of Review related to the liability of the property to assessment or the assessed amount. § 441.37A(3)(a). The Appeal Board considers only those grounds presented to or considered by the Board of Review. § 441.37A(1)(b). But new or additional evidence may be introduced. *Id.* The Appeal Board considers the record as a whole and all of the evidence regardless of who introduced it. § 441.37A(3)(a); *see also Hy-vee, Inc. v. Employment Appeal Bd.*, 710 N.W.2d 1, 3 (Iowa 2005). There is no presumption that the assessed value is correct. § 441.37A(3)(a).

In Iowa, property is to be valued at its actual value. Iowa Code § 441.21(1)(a). Actual value is the property's fair and reasonable market value. *Id.* "Market value" essentially is defined as the value established in an arm's-length sale of the property. § 441.21(1)(b). Sale prices of the property or comparable properties in normal transactions are to be considered in arriving at market value. *Id.* If sales are not available, "other factors" may be considered in arriving at market value. § 441.21(2). The assessed value of the property "shall be one hundred percent of its actual value." § 441.21(1)(a).

To prove inequity, a taxpayer may show that an assessor did not apply an assessing method uniformly to similarly situated or comparable properties. *Eagle Food Centers v. Bd. of Review of the City of Davenport*, 497 N.W.2d 860, 865 (Iowa 1993). Alternatively, a taxpayer may show the property is assessed higher proportionately than other like property using criteria set forth in *Maxwell v. Shriver*, 257 Iowa 575, 133 N.W.2d 709 (1965). The six criteria include evidence showing


“(1) that there are several other properties within a reasonable area similar and comparable . . . (2) the amount of the assessments on those properties, (3) the actual value of the comparable properties, (4) the actual value of the [subject] property, (5) the assessment complained of, and (6) that by a comparison [the] property is assessed at a higher proportion of its actual value than the ratio existing between the assessed and the actual valuations of the similar and comparable properties, thus creating a discrimination.”

*Id.* at 579-580. The gist of this test is the ratio difference between assessment and market value, even though Iowa law now requires assessments to be 100% of market value. § 441.21(1).

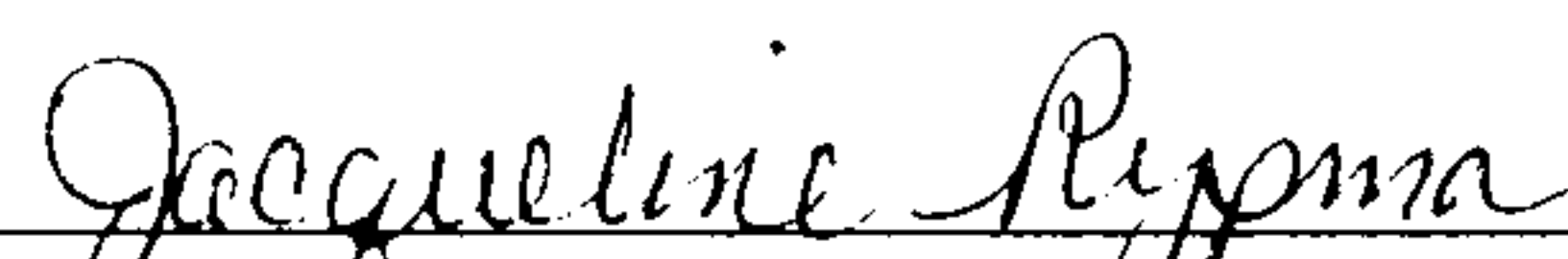
Beguhn did not show inequity under the tests of *Maxwell* or *Eagle Foods*.

THE APPEAL BOARD ORDERS the assessment of Bruce Beguhn’s property located at 11584 NW 107th Court, Granger, Iowa, of \$440,700, as of January 1, 2011, set by the Polk County Board of Review, is affirmed.

Dated this 24 day of July, 2012.

  
Karen Oberman, Presiding Officer

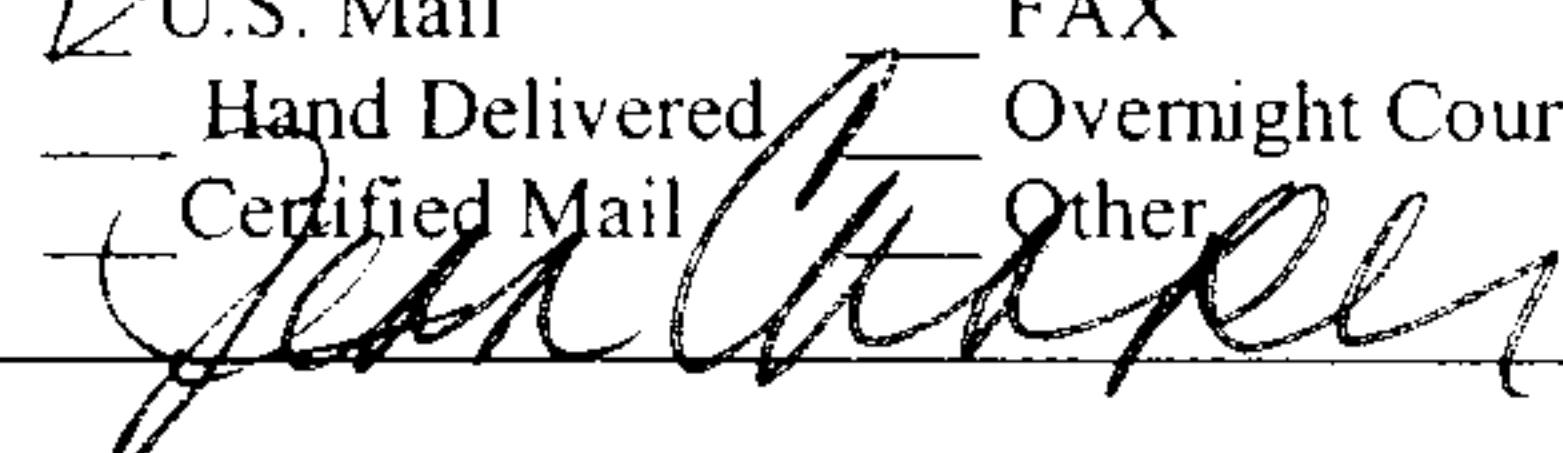
  
Richard Stradley, Board Chair

  
Jacqueline Rypma, Board Member

Cc:

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APPELLANT

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Certificate of Service	
The undersigned certifies that the foregoing instrument was served upon all parties to the above cause & to each of the attorney(s) of record herein at their respective addresses disclosed on the pleadings on <u>7-24</u> , 2012	
By:	<input checked="" type="checkbox"/> U.S. Mail <input type="checkbox"/> FAX
	<input type="checkbox"/> Hand Delivered <input type="checkbox"/> Overnight Courier
	<input type="checkbox"/> Certified Mail <input type="checkbox"/> Other
Signature	<u></u>